

## § 356.24

(8) Other information that we may decide to include.

### **§ 356.24 Will I be notified directly of my awards and, if I am submitting bids for others, do I have to provide confirmations?**

(a) *Notice of awards*—(1) *Notice to submitters*. We will provide notice to all submitters letting them know whether their bids were successful or not.

(2) *Notice to clearing corporations*. If we are to deliver awarded securities under a delivery and payment agreement, we will provide notice of the awards to the clearing corporation that is a party to the agreement.

(b) *Notification of awards to customers*. If you are a submitter for customers, you are responsible for notifying them of their awards. You are also responsible for notifying any intermediaries that forwarded successful bids to you. Similarly, an intermediary is responsible for providing notification of any awards to its customers and any intermediaries from whom it received bids.

(c) *Notification of awards and settlement amounts to a depository institution having an autocharge agreement with a submitter or a clearing corporation*. We will notify each depository institution that has entered into an autocharge agreement with a submitter or a clearing corporation of the amount to be charged, on the issue date, to the institution's funds account at the Federal Reserve Bank servicing the institution. We will provide this notification no later than the day after the auction.

(d) *Customer confirmation*. Any customer awarded a par amount of \$750 million or more in an auction must send us a confirmation in written form or via e-mail containing the information in paragraphs (d)(1) and (2) of this section. The confirmation must be sent no later than 10 a.m. on the day following the auction. If sent in written form, the confirmation must be signed by the customer or authorized representative. Confirmations sent by e-mail must be sent by the customer or authorized representative. Confirmations signed or sent by an authorized representative must include the capacity in which the representative is acting. A submitter or intermediary submitting or forwarding bids for a cus-

## 31 CFR Ch. II (7–1–08 Edition)

tomor must notify the customer of this reporting requirement if we award the customer \$750 million or more as a result of those bids. The information the customer must provide is:

(1) A confirmation of the awarded bid(s), including the name of the submitter that submitted the bid(s) on the customer's behalf, and

(2) A statement indicating whether the customer had a reportable net long position as defined in § 356.13. If a position had to be reported, the statement must provide the amount of the position and the name of the submitter that the customer requested to report the position.

[69 FR 45202, July 28, 2004, as amended at 71 FR 76151, Dec. 20, 2006]

### **§ 356.25 How does the settlement process work?**

Securities bought in the auction must be paid for by the issue date. The payment amount for awarded securities will be the settlement amount as defined in § 356.2. (See formulas in Appendix B.) There are several ways to pay for securities:

(a) *Payment by debit entry to a deposit account*. If you are paying by debit entry to a deposit account as provided for in § 356.17 (b) and (c), we will charge the settlement amount to the specified account on the issue date.

(b) *Payment by authorized charge to a funds account*. Where the submitter's method of payment is an authorized charge to the funds account of a depository institution as provided for in § 356.17 (d), we will charge the settlement amount to the specified funds account on the issue date.

(c) *Payment through a certificate of indebtedness*. If you are paying with the redemption proceeds of your certificate of indebtedness as provided for in § 356.17(b), we will redeem the certificate of indebtedness for the settlement amount of the security and apply the proceeds on the issue date.

(d) *Payment with bids*. If you paid the par amount with your bids as provided for in § 356.17 (c)(2), you may have to pay an additional amount, or we may have to pay an amount to you, as follows:

(1) *When we owe an amount to you*. If the amount you paid is more than the